GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:230
ANSWERED ON:10.03.2000
DUMPING OF PAPER BY FOREIGN COUNTRIES
ANANTRAO GUDHE

Will the Minister of FINANCE be pleased to state:

(a) whether over one hundred agro- residue based paper mills in the country have been closed due to increase in excise duty and low price realization apart from lower import duty resulting in avoidable dumping of papert from foreign countries;

(b) if so, the details of representations received from the paper industry by the Government in this regard; and

(c) the action taken/proposed thereon to provide much sought relief to the affected industry?

Answer

FINANCE MINISTER (SHRI YASHWANT SINHA)

(a) As per the information available, 177 sick pulp and paper units were registered with the BIFR as on 31.12.1999. It is difficult to attribute excise or customs duties as the reason for closure of the units. The closure of units can generally be attributable to uneconomic size of the units, high cost of raw material, slackness in demand, competition, mismanagement etc.

(b) & (c) do not arise in view of above.